

## **TITLE 210-01 WAC**

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### **WAC 210-01-010 Promulgation.**

The state finance committee, after due and proper notice, and pursuant to the provisions of chapter 294, Laws of 1986, hereby adopts and promulgates the following rules and regulations, effective July 1, 1986.

[Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), §210-01-010, filed 6/19/86.]

### **WAC 210-01-020 Definitions.**

Unless the context requires otherwise:

(1) "Local government investment pool" or "pool" means the aggregate of all funds from political subdivisions that are placed in the custody of the state treasurer for investment and reinvestment.

(2) "Pool participant" means any county, city, town, municipal corporation, political subdivision, community and technical college district, the state board for community and technical colleges, or other entities in this state as may be designated by statute.

(3) "Local government official" means any officer or employee of political subdivision who has been designated by statute or by local charter, ordinance, or resolution as the officer having the authority to invest the funds of the political subdivision.

(4) "Financial officer" means the board-appointed treasurer of a community or technical college district or the state board for community and technical colleges.

(5) "Funds" means public funds under the control of or in the custody of any local government official or local funds, as defined by the office of financial management publication "Policies, Regulations and Procedures," under the control of or in the custody of a financial officer by virtue of the official's or financial officer's authority that are not immediately required to meet current demands.

(6) "Financial institution" means a public depository defined in RCW 39.58.010.

[Statutory Authority: Chapter 43.250 RCW and RCW 43.250.090. 98-24-060, § 210-01-020, filed 11/30/98, effective 12/31/98. Statutory Authority: 43.250.090, 43.250.010, [43.250].020 and [43.250].040. 96-18-029, § 210-01-020, filed 8/28/96, effective 9/28/96. Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), § 210-01-020, filed 6/19/86.]

**WAC 210-01-030 Local government ordinance or resolution.**

All government entities participating in the local government investment pool will file with the state treasurer a certified copy of an ordinance or resolution containing the following:

(1) Name and address of entity.

(2) A statement that the governmental entity agrees to deposit or withdraw funds in the local government investment pool in accordance with the provisions of the Washington Administrative Code for the purpose of investment as stated therein.

(3) The names and titles of the officials authorized by this ordinance or resolution to order the deposit or withdrawal of funds in the local government investment pool. No more than two signatures are necessary for this purpose.

[Statutory Authority: Chapter 43.250.909, 43.250.010, [43.250].020 and [43.250].040, 96-18-029, § 210-010-030, filed 8/28/96, effective 9/28/96. Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), § 210-01-030, filed 6/19/86.]

**WAC 210-01-040 Proper adoption and filing of local government ordinance or resolution.**

It shall be the responsibility of local government officials to properly execute and file the resolution or ordinance, described in WAC 210-01-030 with the state treasurer. The state treasurer shall not allow participation in the local government investment pool unless such resolution or ordinance has been filed with the office of state treasurer.

[Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), § 210-01-040, filed 6/19/86.]

**WAC 210-01-050 State treasurer's liability.**

The state treasurer shall not be liable for any damages resulting from misfeasance, malfeasance, nonfeasance, or defalcation on the part of local government officials.

[Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), § 210-01-050, filed 6/19/86.]

**WAC 210-01-060 Deposit and withdrawal of funds.**

The minimum transaction size will be at least five thousand dollars.

[Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), § 210-01-060, filed 6/19/86.]

**WAC 210-01-070 Transaction limitation.**

Each pool participant shall be limited to one transaction per business day. This may be either a deposit to or a withdrawal from the pool.

[Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), § 210-01-070, filed 6/19/86.]

**WAC 210-01-080 Deposit procedures.**

A pool participant, to receive same day credit, must inform the office of the state treasurer of any deposit over one million dollars no later than 9:00 a.m. on the same day the deposit is made. Deposits for one million dollars or less can be requested at any time prior to 10 a.m. on the day of deposit. All deposits will be made by electronic funds transfer to an account designated by the state treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such electronic transfers to the office of the state treasurer. Failure to wire funds by a pool participant (after notification to the state treasurer of an intended transfer) will result in a bank overdraft in the state treasurer's bank account. Bank penalties for overdrafts will be assessed to those pool participants responsible for the overdraft.

[Statutory Authority: Chapter 43.250 RCW and RCW 43.250.090. 98-24-060, § 210-01-080, filed 11/30/98, effective 12/31/98. Statutory Authority: 1986 c 294. 86-14-002 (Resolution No. 639), § 210-01-080, filed 6/19/86.]

**WAC 210-01-090 Withdrawal procedures.**

A pool participant, in order to withdraw funds from the pool, must notify the office of state treasurer of any withdrawal over one million dollars no later than 9 a.m. on the same day the withdrawal is made. Withdrawals for one million dollars or less can be requested at any time prior to 10 a.m. on the day of withdrawal. Each local government entity participating in the pool shall file with the state treasurer a letter designating the financial institution at which funds withdrawn from the pool shall be deposited. This letter shall contain the name of the financial institution, location of the financial institution, account number to which funds will be deposited and account name. This letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-01-030. Disbursements from the pool will be by electronic funds transfer. Failure of the state treasurer to wire funds to a pool participant (after proper notification to the state treasurer to disburse funds to a pool participant) may result in a bank overdraft in the pool participant's bank account. The state treasurer will reimburse pool participants for such bank overdraft penalties charged to the pool participant's bank account.

[Statutory Authority: Chapter 43.250 RCW and RCW 43.250.090, 98-24-060, § 210-01-090, filed 11/30/98, effective 12/31/98. Statutory Authority: 1986 c 294, 86-14-002 (Resolution No. 639), § 210-01-090, filed 6/19/86.]

**WAC 210-01-100 Interest earnings credit.**

Interest earnings on funds deposited in the local government investment pool will be credited to each pool participant's account in the pool on the last day of the month in which the interest income was earned. These funds may be left on deposit and earn interest at the discretion of each pool participant.

[Statutory Authority: 1986 c 294, 86-14-002 (Resolution No. 639) § 210-01-100, filed 6/19/86.]

**WAC 210-01-110 Reporting requirements.**

The state treasurer will provide to each pool participant a statement showing that participant's beginning balance, deposits, withdrawals, administrative charges, earnings rate, earnings and ending balance for the calendar month.

[Statutory Authority: 1986 c 294, 86-14-002 (Resolution No. 639), § 210-01-110, filed 6/19/86.]

**WAC 210-01-120 Administrative deductions.**

As authorized in RCW 43.250.060, the state treasurer will require reimbursement for the administration and recovery of costs associated with the operation of the local government investment pool. The deduction for the amount to reimburse the office of the state treasurer will be based on the average daily balance of the funds deposited in the pool. Each participant will reimburse based upon its share of the total pool's assets. The deduction will be expressed as a percentage of the average daily funds on deposit in the pool for a specified period. This reimbursement will be deducted from each participants earnings prior to the credit of those earnings. The administrative deduction will be adjusted to reflect actual experience.

[Statutory Authority: Chapter 43.250 RCW and RCW 43.250.090, 00-07-003, § 210-01-120, filed 3/2/00, effective 4/2/00. Statutory Authority: RCW 43.250.090, 43.250.010, [43.250].020 and [43.250].040, 96-18-029, § 210-01-120, filed 8/28/96, effective 9/28/96. Statutory Authority: 1986 c 294, 86-14-002 (Resolution No. 639), § 210-01-120, filed 6/19/86.]

**WAC 210-01-130 Portfolio management.**

The state treasurer shall have sole responsibility in the setting of investment strategy for the local government investment pool. Any investments made hereunder shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable income to be derived.

[Statutory Authority: 1986 c 294, 86-14-002 (Resolution No. 639), § 210-01-130, filed 6/19/86.]